

Agent Tells Of '63 Alert On Baker

FBI Was Advised
Name Cropped Up
On Bug at Casino

By Richard Harwood
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A Government agent testified in Federal Court yesterday that he had alerted FBI Director J. Edgar Hoover as early as the beginning of 1963 that Robert G. ("Bobby") Baker was involved with a Las Vegas gambler.

"I thought it was important," said FBI Agent John E. Shedd, "for Washington to be aware of the possible political influence of Ed Levinson."

Levinson, owner of the Fremont hotel and casino in Las Vegas, was the subject of a "criminal intelligence investigation" which Shedd said dealt with "political corruption, hidden (casino) interests, skimming (tax evasion), and organized crime."

"Bug" Installed

As part of the investigation, Shedd ordered the installation of an electronic "bug" in Levinson's office. The device picked up references to Baker and conversations between Baker and Levinson immediately after it was installed in November 1962.

The monitor on the Levinson "bug" was an FBI clerk, J. Roger Dunphy, who said he was instructed by Shedd late in November, 1962 to be on the lookout for references and conversations involving Baker.

The FBI's interest in Baker was heightened, Dunphy said, by a conversation picked up in Levinson's room late in December, 1962 in which there was a discussion between Levinson and two other men of an architectural "deal" and a "political contribution" involving Zick and Sharp, Las Vegas architects. Baker's name came up in the conversation, Dunphy said.

On Dec. 31, Dunphy monitored a conversation between Baker and Levinson at which the Zick and Sharp "deal" was again mentioned.

Agent Shedd, who was in charge of the Levinson "bugging" operation, shortly thereafter

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... sworn in, but—

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FBI Alerted on Baker In 1963, Agent Asserts

after sent a memorandum to Hoover on the matter.

His testimony was elicited by Baker's lawyers, Edward Bennett Williams and Peter R. Taft, who are trying to show at a pre-trial hearing before Federal District Judge Oliver Gasch that the FBI's "bugging" activities were related to Baker's indictment for larceny and tax evasion, and made it invalid.

Accident Claimed

The Government insists that Baker was accidentally "bugged" in the course of an FBI investigation into organized crime. It has made available to Williams—and Williams has made available to the Court—a 34-page transcript of conversations involving Baker which the FBI monitored with secretly-installed electronic equipment.

These conversations, said Justice Department Attorney William O. Bittman, were "patently innocuous", and had no connection with the indictment.

Baker spent yesterday morning on the witness stand disagreeing with Bittman. He identified numerous portions of the transcript which he thought were related to matters covered by the indictment and insisted that the Government had not produced all the conversations it had monitored.

Among his visitors in the bugged Sheraton-Carlton Hotel suite of business consultant Fred B. Black Jr., said Baker, was former lobbyist Wayne Bremley who "was getting checks every month . . . (and) turned them over to me." Another visitor was the late Morris Forgash of U. S. Freight Forwarding Co. who "forwarded checks to Bromley for me" and who was in the real estate business with Baker.

A Washington FBI agent, Edward Pennypecker of Vienna, Va., said he was in charge of the "bug" planted in the suite of Black, who was

convicted of income tax evasion last year but has won a new trial as a result of the "bugging."

Pennypecker said the "bug" in Black's suite was monitored 24 hours a day for 77 days—from Feb. 7, to April 25, 1963. In that entire period, said Pennypecker, the FBI eavesdropped on only 11 conversations in which Baker was a participant.

To Baker, this was proof that the Justice Department was holding back numerous conversations the FBI had recorded.

Used Almost Daily

Baker told the court he used the Black suite almost daily in the period it was "bugged," had countless conversations there, and might have made as many as 500 telephone calls from the suite.

Pennypecker, however, swore that only 11 Baker recordings were made and insisted that Baker was not the object of any FBI investigation at that time.

The Las Vegas FBI personnel, on the other hand, indicated that the agency had taken more than a passing interest in Baker.

Dunphy said Special Agent Shedd in November, 1962, identified Baker for him as secretary to the Democratic majority in the Senate and informed him that Baker and Levinson were "associates."

No Elaboration

Dunphy did not elaborate on the architectural "deal" mentioned in a Baker-Levinson conversation.

Harold Zick, a partner in the firm, told The Washington Post Tuesday he knew nothing about any "deal."

(He said his firm had received the design contract for a \$4.3 million Federal office building in Las Vegas but that he had never discussed the contract with Levinson or Baker and had made no political contributions to get it.)